United Nations A/55/874/Add.2

General Assembly

Distr.: General
5 April 2001

Original: English

Fifty-fifth session
Agenda item 130 (a)
Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Financial performance report for the period from 1 July 1999 to 30 June 2000 and budget for the period from 1 July 2001 to 30 June 2002 of the United Nations Iraq-Kuwait Observation Mission

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) for the period from 1 July 1999 to 30 June 2000 (A/55/810) and the proposed budget for the maintenance of the Mission for the 12-month period from 1 July 2001 to 30 June 2002 (A/55/811). During its consideration of the reports, the Committee met with representatives of the Secretary-General, as well as with the Chief Administrative Officer of the Mission, who provided additional information and clarification.

Financial performance for the period from 1 July 1999 to 30 June 2000

2. By its resolution 53/229 of 8 June 1999, the General Assembly appropriated an amount of $53,991,024 gross ($51,996,124 net) for the maintenance of UNIKOM for the period from 1 July 1999 to 30 June 2000, inclusive of $2,686,445 for the support account for peacekeeping operations and $526,779 for the United Nations Logistics Base at Brindisi, Italy (UNLB). Taking into account the two-thirds share of the net amount, equivalent to $34,664,080, to be funded through voluntary contributions from the Government of Kuwait, an amount of $19,326,944 gross ($17,332,044 net) was assessed on Member States.

3. As indicated in the report of the Secretary-General on the financial performance of UNIKOM (A/55/810, para. 10), expenditures for the period totalled $51,004,500 gross ($49,341,600 net), inclusive of $9,075,900 in unliquidated obligations. The resulting unencumbered balance of $2,986,500 gross ($2,654,500 net) represents, in gross terms, approximately 5.5 per cent of the amount appropriated. The unencumbered balance resulted mainly from a higher than estimated vacancy rate for international staff (a 10 per cent vacancy factor had been applied to the budget, whereas the actual vacancy rate averaged

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26 per cent), lower costs of rations provided under the catering contract and lower average cost of rotation travel for military observers and infantry personnel. Savings were also realized under operational costs, resulting from the termination of a contract for one fixed-wing aircraft owing to the closure of Iraqi airspace in December 1998, the delay in commencement of naval operations and reduced requirements under other equipment, supplies and services and air and surface freight.

4. The persistent high vacancy rates in the international personnel establishment in UNIKOM have been the subject of regular comment by the Advisory Committee. In its report on the financing of UNIKOM of 7 April 2000 (A/54/841/Add.3, para. 6), the Committee recommended that an analysis of the situation be undertaken to determine the cause of the high vacancies, the effect of continuing high vacancy rates on Mission operations and possible solutions, including whether some of the international posts currently authorized could be abolished (see also para. 18 below).

5. The Advisory Committee was informed that troop-cost reimbursement up to 31 August 2000 totalled $86.4 million, while the amount owed for the period from 1 September 2000 to 31 January 2001 was $5 million. With regard to contingent-owned equipment, the Committee was informed that, as at 31 January 2001, an amount of $7.1 million had been reimbursed and the estimated amount owed was $11.2 million, while unliquidated obligations totalled $4.1 million. In respect of death and disability compensation, $645,210 had been paid as at 31 January 2001 for 15 claims, 8 claims were pending and unliquidated obligations amounted to $1.4 million.

6. The Advisory Committee was informed that the cash position of UNIKOM as at 21 February 2001 was $52.9 million and that, as at 31 January 2001, unliquidated obligations for the period from 1 July 1999 to 30 June 2000 amounted to $2,701,300, of which $1,687,200 were government-related and $1,014,100 were not. The total amount assessed on Member States up to 30 June 2001 was $294.7 million, against which the payments received amounted to $274.7 million, leaving an outstanding balance of $20 million.

7. The Advisory Committee notes from the report that additional requirements resulted from the unbudgeted cost of the inclusion of roll-over protection for 43 new vehicles procured during the period (A/55/810, annex II, para. 10). Upon enquiry, the Committee was informed that at UNIKOM there was a higher than normal incidence of vehicles rolling over during accidents. The Committee was also informed that the additional costs involved in the inclusion of roll-over protection for the 43 vehicles amounted to $87,700. **The Committee points out that the mere installation of roll-over bars is not a guarantee that injury will not occur to the occupants of the vehicles. It therefore requests that a technical analysis be made of this phenomenon with a view to identifying the causes. The results could assist the Mission in formulating an appropriate remedy, as well as provide lessons for other missions.**

8. The action to be taken by the General Assembly in connection with the financing of UNIKOM for the period from 1 July 1999 to 30 June 2000 is indicated in paragraph 12 of the report. **The Advisory Committee recommends that the unencumbered balance of $2,986,500 gross ($2,654,500 net) for the period from 1 July 1999 to 30 June 2000 be credited to Member States, it being understood that two thirds of the amount would first be refunded to the Government of Kuwait.**

Information on performance for the current period

9. The Advisory Committee was informed that, against the authorized staffing establishment of UNIKOM for the period from 1 July 2000 to 30 June 2001 of 910 military contingent personnel, 195 military observers (excluding 105 on standby, who were authorized but not budgeted for), 72 international staff and 166 local staff, the positions encumbered as at 28 February 2001 were 903 military contingent personnel, 193 military observers, 53 international staff and 152 local staff.

10. The Advisory Committee was provided with expenditure data for the period from 1 July 2000 to 30 June 2001 as at 31 January 2001. Expenditure for the period amounted to $33,530,800 gross ($32,654,500 net) against an apportionment of $52,710,200 gross ($50,715,200 net).

Cost estimates for the period from 1 July 2001 to 30 June 2002

11. As indicated in the report of the Secretary-General on the budget of UNIKOM (A/55/811), the cost of maintaining the Mission for the period from 1 July 2001 to 30 June 2002 is estimated at $54,229,900 gross ($52,099,300 net), inclusive of budgeted voluntary contributions in kind amounting to $3,121,900. Two thirds of the total amount, or $32,651,600 net, is to be funded through voluntary contributions from the Government of Kuwait. As stated in paragraph 2 of the report, the proposed budget represents an 8.9 per cent increase ($4,411,900), in gross terms, in relation to the apportionment for the current period from 1 July 2000 to 30 June 2001. As indicated in the report (ibid., para. 3 (b)), it is proposed to assess the amount of $18,456,400 gross ($16,325,800 net) for the period from 1 July 2001 to 30 June 2002, which represents an increase of 2.9 per cent in relation to the assessed budget for the current period[1]. The proposed budget reflects increases of $1,226,900, or 9.4 per cent, in civilian personnel costs, $1,053,600, or 10.4 per cent, under operational requirements and $90,900, or 606 per cent, under other programmes, offset in part by a decrease of $1,217,000, or 4.9 per cent, in military personnel costs (ibid., table 1).

12. The estimate provides for 195 military observers (excluding 105 on standby, who were authorized but not budgeted for), 906 military contingent personnel, 63 international staff and 174 local staff (see para. 9 above for current encumbency).

13. As indicated in the budget report, in the light of the return of contingent-owned vehicles to the Government of Kuwait, military support personnel have been decreased from 135 to 131, reducing the total number of budgeted military contingent personnel from 910 to 906. Other factors affecting the estimates for military personnel include a reduction in the average rotation cost of infantry personnel, reduced requirements for reimbursement for contingent-owned equipment (under the old arrangements) as a result of the return of vehicles to the Government of Kuwait and application of a reduced rate for death and disability compensation (0.32 per cent, as compared with the standard rate of 1 per cent of military personnel) (A/55/811, annex I.C, paras. 6 and 7).

14. The Advisory Committee notes from the report that reimbursement for contingent-owned equipment in UNIKOM is based on the old system of reimbursement of 10 per cent of the value of the equipment per year. The report also indicates that negotiations are under way with one troop-contributing Government for reimbursement for equipment based on the new arrangements (ibid., paras. 17 and 18). The Committee recalls that, at the time of the last budget submission, negotiations with one troop-contributing Government were reported to be in progress. Upon enquiry, the Committee was informed that it was expected that a memorandum of understanding would soon be signed.

15. With regard to civilian personnel, the Advisory Committee notes the changes outlined in the report, which include: (a) the downgrading of 2 P-5 posts to the P-4 level; (b) the conversion of 8 General Service posts to local level posts; (c) the conversion of 1 General Service post to a Field Service post; and (d) the abolition of 1 General Service post.

16. As indicated in the budget report, the increase of $1,226,900 in civilian personnel costs takes into account vacancy factors of 10 per cent for international staff and 5 per cent for local staff (ibid., annex I.C, para. 9). The Advisory Committee recalls that the average vacancy rate reported for international staff in the financial performance report for UNIKOM for the period ended 30 June 2000 was 26 per cent (A/55/810, table 2). Furthermore, the latest encumbency information provided to the Committee (see para. 9 above) indicated that, as at 28 February 2001, 53 out of the authorized 72 international posts were filled, resulting in a vacancy rate of 26 per cent. **The Committee understands that the 10 per cent vacancy factor applied in the proposed estimate is based on a staffing establishment of 63 international posts rather than 72. It is nevertheless of the opinion the use of a 10 per cent vacancy factor applied in the estimate is more optimistic than has been borne out by experience.**

17. The Advisory Committee notes from the budget report that, on the basis of recent experience, a higher average grade level (G-5, step V, for Umm Qasr and G-5, step VI, for Baghdad as compared to the G-4, steps V and XII respectively, used in the budget for the current period) is taken into account in UNIKOM in the calculation of local staff costs (A/55/811, annex I.C, para. 9). The Committee notes that the average vacancy rate for local staff, as stated in the financial

performance report for the period ended 30 June 2000, was 10 per cent (A/55/810, table 2), and that it matched the vacancy factor applied in the budget for that period. The encumbency for local staff as at 28 February 2001 (see para. 9 above) was 153 out of 166 authorized posts, or a vacancy rate of 8.4 per cent. **Given the above-mentioned vacancy information and the fact that the estimates include an increase in the staffing establishment for local staff from 166 to 174, the Committee is of the view that the 5 per cent vacancy factor applied for local staff may also be somewhat optimistic.**

18. The Advisory Committee notes that neither the performance report nor the proposed budget adequately respond to the concerns of the Committee expressed in its report of 7 April 2000, in which it recommended that an analysis be undertaken to determine the cause of the persistent high vacancies, the effect of continuing high vacancy rates on Mission operations, and possible solutions, including whether some of the posts in question could be abolished (A/54/841/Add.3, para. 6). The Committee sought further explanation as to why although the Mission has been in existence for 10 years, high vacancy rates persist in the international staffing establishment. The Committee was informed that the proposal to convert 8 international posts to local posts was intended to address the concerns of the Committee. The Committee was also informed that UNIKOM had to compete with other missions for personnel and that recruitment efforts often gave priority to new missions. As to the effect of persistent high vacancy rates on mission operations, the Committee was informed that the position of legal adviser had been vacant for more than one year and that registry services had suffered as well. The Committee was also informed that the Mission relied on military police for security services, but that this practice had led to problems of continuity, as such personnel are rotated frequently. The representatives of the Secretary-General stated that resources for security would be requested in the next budget submission. **The Committee recommends that, in the interim, the Mission use one of the vacant international posts for an international security officer.**

19. The Advisory Committee notes that the estimate for training shows a considerable increase ($90,900). As indicated in the budget report, a total of 29 staff are proposed for training in the areas of procurement, information technology, communications and transport (A/55/811, annex II.A, item 48). The Committee recalls that in the performance report for the period ended 30 June 2000, it was indicated that a total of 16 staff were trained in communications, the field assets control system (FACS), data processing and personnel management, at a cost of $40,900. Upon enquiry, the Committee was informed that for the current period, $30,000 had been allocated for the training of 20 personnel. Thus, in three financial periods, a total of 65 staff will have received training in a variety of disciplines. The Committee points out that the number of people to be trained is relatively high in comparison to the number of established posts (72 international staff and 152 local staff). **In this connection, the Committee cautions that training programmes should be carefully identified to meet the needs of the Mission. Furthermore, as the Committee has mentioned in other reports (see A/54/841, para. 39), care should be taken, in selecting personnel for training, to confirm the staff member's availability for mission service.**

20. The action to be taken by the General Assembly in connection with the financing of UNIKOM for the period from 1 July 2001 to 30 June 2001 is indicated in paragraph 3 of the report. **The Advisory Committee recommends that the Assembly approve the appropriation of the amount of $51,108,000 gross ($48,977,400 net) for the maintenance of the Mission for the 12-month period beginning 1 July 2001, including the amount of $32,651,600 net, representing two thirds of the cost, to be funded through voluntary contributions from the Government of Kuwait.**

Notes

[1] See A/54/736, para. 3 (b)

United Nations A/55/874/Add.3

General Assembly

Distr.: General
3 April 2001

Original: English

Fifty-fifth session
Agenda item 143
Financing of the United Nations Peacekeeping Force in Cyprus

Financial performance report for the period from 1 June 1999 to 30 June 2000 and budget for the period from 1 July 2001 to 30 June 2002 for the United Nations Peacekeeping Force in Cyprus

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 1999 to 30 June 2000 (A/55/739) and on the proposed budget for the 12-month period from 1 July 2001 to 30 June 2002 (A/55/788). During its consideration of the reports, the Committee met with representatives of the Secretary-General who provided additional information.

2. UNFICYP was established by the Security Council in its resolution 186 (1964) of 4 March 1964. From its inception until 15 June 1993, the costs of the Force were met by the Governments providing contingents, by the Government of Cyprus and by voluntary contributions to the Force. In accordance with General Assembly resolution 47/236 of 14 September 1993, the costs of the Force since 16 June 1993 that were not covered by voluntary contributions have been assessed on Member States. Voluntary contributions equal to one third of annual cost of UNFICP have been made on continuing basis by the Government of Cyprus, while the Government of Greece has been making annual contributions of $6.5 million.

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Financial performance for the period from 1 July 1999 to 30 June 2000

3. The amount approved by the General Assembly in its resolution 53/231 of 8 June 1999 for the maintenance of UNFICYP for the period from 1 July 1999 to 30 June 2000 was $45,630,927 gross ($43,892,427 net), including the portion to be met through voluntary contributions from the Governments of Cyprus and Greece as well as $2,270,759 appropriated for the support account for peacekeeping operations and the amount of $445,268 for the United Nations Logistics Base at Brindisi, Italy (UNLB). Expenditure amounted to $45,107,500 gross ($43,388,400 net), resulting in an encumbered balance of $523,400 gross ($504,000 net) (A/55/739, table 1). The unencumbered balance arose mainly under military contingents, civilian police, international and local staff and transport operations, partially offset by overexpenditure on premises/accommodation, air operations, communications, other equipment and supplies and services.

4. **With regard to overexpenditure, the Advisory Committee notes from the report of the Secretary-General that expenditure on a number of items could have been foreseen when the budget was proposed (ibid., annex II). The Committee trusts that improvements in planning will lead to more effective identification of needs at the time when the estimates are being prepared.**

5. Initiatives taken to ensure that UNFICYP is managed with a maximum of economy and efficiency, including the outsourcing of janitorial and catering services; a comprehensive review of the commercially hired vehicle fleet combined with a successful bidding exercise; rationalization and consolidation of office space, accommodation and ancillary facilities; and the implementation of a procurement plan to ensure that the goods and services were procured in the most efficient and least costly manner, are discussed in the report of the Secretary-General (ibid., paras 7-12).

6. With regard to the outsourcing programme, the Advisory Committee notes from the report of the Secretary-General that this initiative resulted in a reduction of a total of 68 local level posts, leading to a decrease in the number of local staff level to 147 (ibid., para. 8). Upon enquiry, the Committee was informed that the outsourcing of catering and janitorial functions resulted in an annual cost reduction amounting to $420,600. The Committee was also informed that reduction in expenditure resulted from improvements in the vehicle hire arrangements ($484,300 per annum), rationalizing of the utilization of buildings and consolidation of offices, accommodation and auxiliary facilities within the United Nations Protected Area ($99,000 per annum) and procurement reform ($915,000 per annum).

7. In connection with lessons learned, the Advisory Committee trusts that the Secretariat will, to the extent possible, apply some of the efficiency measures taken at UNFICYP to other missions.

8. The action to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 1999 to 30 June 2000 is shown in the Secretary-General's report (ibid., para. 16). **The Advisory Committee recommends that the unencumbered balance of $523,400 gross ($504,000 net) for period from 1 July 1999 to 30 June 2000 be credited to Member States in a manner to be decided by the General Assembly.**

Information on performance for the current period

9. The Advisory Committee was informed that, as at 20 February 2001, the amount of $109,352,426 was reimbursed for troop costs for the period 16 June 1993 to 31 August 2000 and that the amount owed for the period 1 September to 31 December 2000 was $26,480,106. The Committee was also informed that troop contributors have been paid until the end of August 2000 and that reimbursements for the months of September and October 2000 were scheduled to be made to Member States on 6 March 2001.

10. With regard to reimbursement for contingent-owned equipment, the Advisory Committee was informed that the amount was $4,677,867; the estimated amount owed as at 20 February 2001 was $9,052,306; and unliquidated obligations for contingent-owned equipment amounted to $4,602,487. As regards death and disability, as at 20 February 2001, six claims have been settled amounting to $1,231,536, the balance of obligations amounts to $279,298 and one claim was remaining.

11. The Advisory Committee was also informed that one contingent had withdrawn from the Force and that negotiations were ongoing with troop-contributing countries with a view to moving to the new contingent-owned equipment arrangements. Upon enquiry, the Committee was informed that the cost estimates for reimbursement of contingent-owned equipment were based on the old reimbursement system with the exception of equipment provided by two troop-contributing countries; under the terms of the memoranda of understanding, which are still under negotiation, the two are expected to be covered by the wet-lease arrangement.

12. The Advisory Committee was informed that, as at 12 February 2001, the cash position of the Force amounted to $9.9 million. Assessments on Member States for the period from 1 January to 31 December 2000 amounted to $22,565,438; payments received totalled $16,964,074; and the amount outstanding was $5,601,364, as at 20 February 2001. As at 31 December 2000, total unliquidated obligations for the period from 1 July 2000 to 30 June 2001 were $20,247,576 ($16,970,423 for Governments and $3,277,152 for others).

13. Upon enquiry as to the additional costs arising from restrictions of movement described in the report of the Secretary-General to the Security Council of 1 December 2000 (S/2000/1138, paras. 4-6), the Advisory Committee was informed that these resulted in increased consumption of petrol, oil and lubricants ($12,000 per annum) and additional insurance costs ($18,000 per annum).

14. With regard to the impact of the statement in the report of the Secretary-General to the Security Council (ibid., para. 6) that UNFICYP would be required to pay for electricity and other utilities, the Advisory Committee was informed that there are no additional costs involved in the new arrangements whereby UNFICYP pays for the provision of electricity to its camps in the north directly to the authorities in the north instead of the earlier arrangement of paying to the authorities in the south.

15. In connection with UNFICYP staff assigned to other missions, the Advisory Committee was informed that 18 international and eight local staff are currently on temporary assignment to other missions. While recognizing the utility of such staff

loans, care should be taken to ensure that they do not have a negative impact on the operation of the mission (see para. 19 below).

Cost estimates for the period from 1 July 2001 to 30 June 2002

16. As indicated in the report of the Secretary-General on the proposed budget for the maintenance of the Force for the 12-month period from 1 July 2001 to 30 June 2002 (A/5/788, para. 1), an amount of $42,395,100 gross ($40,868,100 net), inclusive of budgeted voluntary contributions in-kind amounting to $1,376,100 has been requested. This represents 0.2 per cent decrease ($20,800) in gross terms in relation to the apportionment for the current period from 1 July 2000 to 30 June 2001. The proposed budget reflects decreases of 8.7 per cent in civilian personnel costs and 8.3 per cent in staff assessment, offset by increases of 0.1 per cent in military personnel costs, 11.8 per cent in operational costs and 43.3 per cent in other programmes.

17. With regard to the presentation of the budget, the Advisory Committee welcomes the implementation of the Committee's recommendation on budgeted voluntary contributions as approved by the General Assembly.

18. The proposed staffing of the mission comprises 35 civilian police, 44 international and 147 local staff (ibid., table 2). This reflects a net decrease of 39 local staff posts resulting from the outsourcing of janitorial services and catering service.

19. The Advisory Committee notes from the report of the Secretary-General that the cost estimates for the period 1 July 2001 to 30 June 2002 were based on a 6.5 per cent vacancy factor in respect of international staff and a 5 per cent vacancy factor for local staff (ibid., annex I.C, paras. 1 and 7). The Committee notes that the rate for international staff is lower than that reported in the financial performance report for the period 1 July 1999 to 30 June 2000 (A/55/739), which was 10 per cent. Upon enquiry, the Committee was informed that the 6.5 per cent vacancy factor was based on mission experience.

20. As indicated in paragraph 16 above, the proposed budget reflects a 43.3 per cent increase in other programmes. The Advisory Committee notes from the report of the Secretary-General on the proposed budget of the Force (A/55/788, annex I.C, para. 29) that this increase is attributable to increased specialized training requirements in administrative back-stopping functions to update the skills of UNFICYP staff in the areas of communications, procurement, personnel functions, generator training and vehicle logbook training.

21. With regard to procurement training, the Advisory Committee welcomes the implementation of its recommendation in its report of 10 April 2000 (A/54/841/Add.4, para. 25) that, in view of the considerable decentralization in procurement services to the field, a much more focused procurement training programme involving procurement personnel from all the missions in the area be undertaken. The Advisory Committee notes from the budget report of the Secretary-General (A/55/788, annex IV), that the Mission will be involved in two such courses.

22. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2001 to 30 June 2002 are set out

in the budget report (A/55/788, para. 3). **The Advisory Committee recommends that the amount of $41,019,000 gross ($39,492,000 net) be approved for the maintenance of the Mission for the 12-month period from 1 July 2001 to 30 June 2002, including $20,173,000 to be funded through voluntary contributions from the Government of Cyprus ($13,673,000) and the Government of Greece ($6,500,000).**

United Nations A/55/874/Add.4

General Assembly

Distr.: General
5 April 2001

Original: English

Fifty-fifth session
Agenda item 144
Financing of the United Nations Observer Mission in Georgia

Budget performance report for the period from 1 July 1999 to 30 June 2000 and budget for the period from 1 July 2001 to 30 June 2002 of the United Nations Observer Mission in Georgia

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 1999 to 30 June 2000 (A/55/682) and the proposed budget for the Mission for the 12-month period from 1 July 2001 to 30 June 2002 (A/55/768). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. The United Nations Observer Mission in Georgia was established by the Security Council in its resolution 858 (1993) of 24 August 1993. Since then, its mandate has been extended by the Security Council in various resolutions, the latest being resolution 1339 (2001) of 31 January 2001, by which the Council extended the mandate of the Mission until 31 July 2001.

Financial performance report for the period from 1 July 1999 to 30 June 2000

3. By its resolution 53/232 of 8 June 1999, the General Assembly appropriated an amount of $31,000,479 gross ($29,505,279 net) for the maintenance of UNOMIG for the period from 1 July 1999 to 30 June 2000, inclusive of $1,541,759 for the support account for peacekeeping operations and $302,320 for the United Nations Logistics Base at Brindisi, Italy (UNLB). That amount has been assessed on

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Member States. As indicated in the report of the Secretary-General on the budget performance of UNOMIG, expenditures for the period amounted to $25,004,000 gross ($23,729,800 net), inclusive of $2,810,000 in unliquidated obligations. The resulting unencumbered balance of $5,996,479 gross ($5,775,479 net) represents, in gross terms, 19 per cent of the amount appropriated (A/55/682, para. 9 and table 1).

4. The Advisory Committee notes that the unencumbered balance resulted mainly from savings under military personnel, civilian personnel and operational requirements owing to restrictions on movement and the continued closure of team bases, as well as the decision to postpone the separation of the Gali and Zugdidi sector offices for security reasons and the postponement of the establishment of liaison offices in Istanbul and at the airport in Adler in the Russian Federation. Other factors resulting in savings included a vacancy rate of 19 per cent for international staff, as well as more favourable contractual arrangements than anticipated for both helicopters and fixed-wing aircraft, offset in part by requirements for general temporary assistance and travel.

5. The Advisory Committee was informed that the cash position of the Mission as at 31 December 2000 was $4 million and that unliquidated obligations for the period from 1 July 1999 to 30 June 2000 amounted to $1.6 million, of which $0.5 million were Government-related, while $1.1 million were not. The total amount assessed on Member States for UNOMIG as at 31 December 2000 was $127.1 million, against which the payments received amounted to $111 million, leaving an outstanding balance of $16.1 million.

6. With regard to contingent-owned equipment, the Advisory Committee was informed that the estimated amount owed as at 31 December 2000 was $409,503 and that unliquidated obligations for contingent-owned equipment amounted to $378,975, in addition to an amount of $151,704 held in accounts payable. In respect of death and disability compensation, $137,000 had been paid as at 31 December 2000 for five claims, two claims were pending and unliquidated obligations amounted to $53,087.

7. The Advisory Committee recognizes that political instability and security problems in the Mission area have made it impossible to fully implement the planned activities of the Mission and have affected the deployment of civilian and military personnel, leading to high vacancy rates. As reflected in the Secretary-General's report, the vacancy rates for the period from 1 July 1999 to 30 June 2000 was 23 per cent for military observers, 19 per cent for international staff and 8 per cent for local staff (ibid., table 2). The Committee notes, however, from the additional information provided to it, that vacancy rates have improved somewhat during the current period. As at 31 December 2000, the vacancy rate was 24 per cent for military observers, 3 per cent for international staff and nil for local staff (see also para. 9 below).

8. The action to be taken by the General Assembly in connection with the financing of UNOMIG for the period from 1 July 1999 to 30 June 2000 is indicated in the report of the Secretary-General (ibid., para. 11). **The Advisory Committee recommends that the unencumbered balance of $5,996,479 gross ($5,775,479 net) for the period from 1 July 1999 to 30 June 2000 be credited to Member States in a manner to be determined by the General Assembly.**

Information on performance for the current period

9. The Advisory Committee was informed that against the authorized staffing establishment of UNOMIG for the period from 1 July 2000 to 30 June 2001 of 135 military observers, 89 international staff and 148 local staff, the encumbered posts as at 31 December 2000 were 102 military observers, 86 international staff and 148 local staff.

10. The Advisory Committee was provided with expenditure data for the period from 1 July 2000 to 30 June 2001 as at 31 December 2000. Expenditure for the period amounted to $11,265,400 gross ($10,655,400 net) against an apportionment of $30,048,200 gross ($28,539,500 net).

Cost estimates for the period from 1 July 2001 to 30 June 2002

11. As indicated in the report of the Secretary-General in the proposed budget of UNOMIG for the period from 1 July 2001 to 30 June 2002, the proposed budget for the maintenance of the Mission during that time period amounts to $26,994,600 gross ($25,382,700 net) (A/55/768, paras. 1 and 2 and table 1). This amount represents a 4.9 per cent decrease ($1,405,200), in gross terms, in relation to the apportionment for the current period ending 30 June 2001. The proposed budget reflects decreases of $1,008,000, or 20.7 per cent, in military personnel costs and $1,183,700, or 12.9 per cent, in operational requirements, offset in part by increases of $567,300, or 4.4 per cent, in civilian personnel costs and $116,000, or 158 per cent, in other programmes.

12. The reduced requirements under military personnel are due to provision for military observers on the basis of a 15 per cent turnover factor against the authorized strength of 135 and take into account an average actual deployment of 102 observers over the preceding three financial periods. The cost estimates for international staff take into account a 10 per cent vacancy factor.

13. The Advisory Committee notes the proposed changes in the staffing of the Mission, as outlined in the report (ibid., sect. VIII), namely, the net increase of 38 posts (10 international and 28 local) and the reclassification of one P-3 post to the P-4 level and two P-2 posts to the P-3 level. Four of the new posts will be for the new Air Operations Unit to be established within the General Services Section. **The Committee has no objection to the proposed changes in staffing.**

14. The Advisory Committee recalls its statement in its report of 10 April 2000 in which it encouraged the Secretariat to intensify its efforts to identify qualified personnel for the public information programme in UNOMIG (A/54/841/Add.5, para. 16). The Committee notes, as indicated in the Secretary-General's report, that the post of Special Information Officer was filled in February 2000 (A/55/768, annex IV, item 2).

15. The Advisory Committee notes that the bulk of the decrease under operational requirements is attributable to decreased requirements under transport operations ($2,372,900). Upon enquiry, the Committee was informed that the large decrease was due to the fact that the previous budget submission included a requirement for seven armoured personnel carriers. Those vehicles were purchased and there was therefore no such requirement in the proposed budget for 2001-2002. The

Committee also notes that, with the write-off of a number of vehicles, the vehicle establishment would be reduced from 204 to 179. The Committee enquired as to how such a decrease was possible given the proposed increase in staff, and was provided with the following statement in response:

> "The reduction in the number of vehicles from 204 to 179 during the budget period 2001-2002 is due to the scheduled write-off of 24 vehicles comprised of 19 4x4 general purpose vehicles and 5 light trailers. Also during the same period, a 20-ton crane truck will be shipped back to the United Nations Logistics Base at Brindisi, Italy. The reduction will only affect the requirements of the military observers to which the 19 4x4 general purpose vehicles were originally assigned. It was determined by the Field Administration and Logistics Division and the Mission that it would be more suitable for the military observers to use the armoured/mine-protected vehicles already in existence in the Mission instead of the 4x4 general purpose vehicles. It should also be noted that the increase in civilian staffing requirements for the period 2001-2002 was taken into consideration when the proposed vehicle establishment of 179 was calculated."

16. The Advisory Committee notes the statement in the report of the Secretary-General (ibid., annex I.C, para. 9) that the decrease in requirements for premises/accommodation is due to the smaller scale of the planned renovation projects. Upon enquiry as to the reason for the across the board increases for rental of premises (ibid., annex II.A, item 15) the Committee was informed that there had been almost no rent increases in the past seven years and that increases were therefore justified at this time.

17. The Advisory Committee recalls that, in its report on the accounts of the United Nations peacekeeping operations for the financial period ending 30 June 2000, the Board of Auditors mentioned UNOMIG as one of the peacekeeping operations in which discrepancies were noted in the updating of the field assets control system (see A/55/5, vol. II, paras. 66, 69 and 78). **The Committee trusts that efforts will be made to rectify this situation.**

18. The actions to be taken by the General Assembly in connection with the financing of UNOMIG for the period from 1 July 2001 to 30 June 2002 are set out in the proposed budget (A/55/768, para. 3). **The Advisory Committee recommends that the amount of $26,994,600 gross ($25,382,700 net) be approved for the maintenance of UNOMIG for the 12-month period beginning 1 July 2001, and that that amount be assessed at a monthly rate of $2,249,550 gross ($2,115,225 net) should the Security Council decide to continue the mandate of the Mission.**

United Nations A/55/874/Add.5

General Assembly

Distr.: General
3 April 2001

Original: English

Fifty-fifth session
Agenda item 148
Financing of the United Nations Mission in Bosnia and Herzegovina

Financial performance report for the period from 1 July 1999 to 30 June 2000 and budget for the period from 1 July 2001 to 30 June 2002 of the United Nations Mission in Bosnia and Herzegovina

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financial performance of the United Nations Mission in Bosnia and Herzegovina (UNMIBH) for the period from 1 July 1999 to 30 June 2000 (A/55/683), including the United Nations liaison offices in Zagreb and Belgrade and the United Nations Mission of Observers in Prevlaka (UNMOP), which, although an independent mission, is treated as part of UNMIBH for administrative and budgetary purposes. The Committee has also considered the report of the Secretary-General on the proposed budget for UNMIBH for the period from 1 July 2001 to 30 June 2002 (A/55/752), including the United Nations liaison and administrative offices at Zagreb and Belgrade and UNMOP. During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General, including the Chief Administrative Officer of UNMIBH, who provided the Committee with additional information.

Financial performance report for the period from 1 July 1999 to 30 June 2000

2. The General Assembly, by its resolution 53/233 of 8 June 1999, appropriated an amount of $178,204,381 gross ($168,191,981 net), inclusive of $8,865,888 for the support account for peacekeeping operations and $1,738,493 for the United Nations Logistics Base at Brindisi, Italy (UNLB). The Committee was informed that, since the inception of the Mission, assessment on Member States amounted to

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$781.4 million, against which a payment of $704.8 million had been received as at 31 December 2000, leaving an outstanding balance of $76.6 million.

3. The financial performance report of UNMIBH for the period from 1 July 1999 to 30 June 2000 (A/55/683) reflects expenditures in the amount of $152,214,000 gross ($143,365,900 net), resulting in an unencumbered balance of $25,990,381 gross ($24,826,081 net). The unencumbered balance is the net of under- and over-expenditures for several objects of expenditure as presented in the report of the Secretary-General (ibid., annex I). The Committee notes that expenditures of $152,214,000 include an amount of $9,161,400 in unliquidated obligations as at 30 June 2000 (ibid., table 1, footnote a). The Committee was informed that the amount of unliquidated obligations had decreased as at 31 December 2000 to $3 million, of which $0.6 million relates to governmental obligations. The cash position of the Mission was $3.8 million as at 31 December 2000.

4. As indicated in the Secretary-General's report (ibid., paras. 7 and 8), the total unencumbered balance of nearly $26 million, the bulk of which is under the heading for civilian personnel, was largely due to the following two factors:

(a) High vacancy rates for civilian police (17 per cent, compared to the 5 per cent budgeted), international staff (16 per cent, compared to 15 per cent budgeted), national officers (31 per cent , compared to 5 per cent budgeted) and local staff (8 per cent, compared to 5 per cent budgeted);

(b) Lower mission subsistence allowance rate applicable in the Mission area after 30 days ($75 as opposed to the budgeted amount of $90).

5. The Committee notes that the high vacancy rates in civilian personnel and police are due to the need to provide assistance to new United Nations missions in Kosovo and East Timor. **The Advisory Committee requests that specific information be included in future performance reports on staff assigned to assist other United Nations missions.**

6. According to the Secretary-General, the underexpenditure under the budget line for "Civilian personnel" was partially offset by additional requirements of $2,991,300 relating to the renovation of the Mission's headquarters and additional requirements of $1,189,500 under supplies and services, which are largely attributable to losses on currency exchange rates, additional requirements to cover the costs of local security guards and legal service costs in connection with the recovery of assets from the travel fraud case in UNMIBH and in connection with the helicopter accident of 17 September 1997.

7. With regard to the new headquarters premises, the Advisory Committee understands that this is a rent-free arrangement for eight years beginning April 2000 and that, therefore, the only cost to the United Nations is the amount of $3 million for renovation. The Committee sought additional information on the cost-effectiveness of spending nearly $3 million on the renovation of Mission headquarters since the proposed completion of the mandate is December 2002. According to the Secretariat, UNMIBH benefits from the operational and administrative efficiencies of having one centralized location since this allows:

(a) A reduction in the number of security guards from 91 to 85;

(b) A decrease in the number of International Police Task Force monitors involved in administrative and logistic duties in Sarajevo, thus allowing the

deployment of 200 International Police Task Force officers to the field to implement the co-location and State Border Service programmes;

(c) A reduction in resources and time spent by personnel moving between the five former locations.

The Advisory Committee was informed that prior to occupying the building, UNMIBH was paying a combined yearly rental of $1,176,797 for three former premises in Sarajevo and the Tito Barracks. In view of the rent-free arrangement the cost of renovation would be completely amortized by April 2003. Should a monitoring mission be required beyond the proposed completion date of the mandate in December 2002, rental savings will accrue. **The Advisory Committee recommends that all future budget submissions for United Nations peacekeeping operations provide a complete justification for significant investments ($1 million and above) in premises not owned by the Organization.**

8. The Committee was informed that during the period from the inception of the Mission on 1 January 1996 to 31 December 2000, 17 claims under death and disability compensation had been certified for payment for a total amount of $0.8 million, leaving the balance of unliquidated obligations under this budget line at $2.3 million as at 31 December 2000; in addition, there are 79 reported incidents that may result in claims. The Committee also sought additional information on claim settlements related to the helicopter accident on 17 September 1997 and was informed that the United Nations portion of the claim settlements not covered by dissident underwriters total $221,901.66 in respect of three claims. In this connection there is no pending arbitration or litigation.

9. The action to be taken by the General Assembly in connection with the financing of UNMIBH is indicated in paragraph 13 of document A/55/683. **The Committee recommends that the unencumbered balance of $25,990,381 gross ($24,826,081 net) for the period from 1 July 1999 to 30 June 2000 be credited to Member States in a manner to be decided by the General Assembly.**

Cost estimates for the period from 1 July 2001 to 30 June 2002

10. The proposed budget for the maintenance of UNMIBH, including UNMOP, and the United Nations liaison offices in Belgrade and Zagreb for the period from 1 July 2001 to 30 June 2002 amounts to $143,588,900 gross ($134,704,400 net). Of the total proposed budget, some 78 per cent of resources relate to civilian personnel costs. Operational costs account for 15 per cent of the budget, military personnel costs reflect 1 per cent and staff assessment comprises 6 per cent of the total proposed budget. Less than 1 per cent of the total resources are related to other programmes (see A/55/752).

11. The estimated requirements for the period from 1 July 2001 to 30 June 2002 represent a 4.3 per cent decrease ($6,411,100) in gross terms in relation to the apportionment for the current budget period ending 30 June 2001, exclusive of provision for the support account for peacekeeping operations and UNLB. According to the report of the Secretary-General, the decrease chiefly reflects a 24.1 per cent reduction in military personnel costs, a 2.7 per cent reduction in civilian personnel costs and a 14.9 per cent reduction in operational costs, partially offset by

a 10.4 per cent increase in staff assessment and a 2.2 per cent increase in other programmes (ibid., table 1).

12. The Committee was informed by the representatives of the Secretary-General that the goals and achievements of the Mission are reviewed every three months.

13. The proposed staffing establishment of UNMIBH provides for 28 military observers in Prevlaka and five military liaison officers in Bosnia and Herzegovina, 1,850 civilian police in Bosnia and Herzegovina, 363 international staff, 17 national officers and 1,536 local staff. This reflects a net reduction of 35 international staff (2 P-4, 8 P-3, 13 General Service, 12 Field Service) and a net increase of 2 National Officers and 98 local staff. **The Committee welcomes the efforts to maximize utilization of staff resources.** Details on the proposed changes in staffing requirements, as provided in the report of the Secretary-General (ibid., paras. 23 and 24), are as follows:

(a) Termination of 20 posts (out of 42) in the Judicial System Assessment Programme (2 P-4, 8 P-3, 1 National Officer and 9 local staff);

(b) Conversion of 85 security guards to local staff;

(c) Exchange of 1 P-2 post from the Finance Section for 1 P-3 post in the Office of the Chief of Technical Services;

(d) Replacement of 13 General Service posts and 9 Field Service posts by 22 Local level posts;

(e) Replacement of 3 Field Service posts in the Communications and Information Technology section with 3 National Officer positions;

(f) Redeployment of 1 Field Service post from the Zagreb administrative office to the Movement and Control Section;

(g) Redeployment of 5 Local level posts from the Zagreb administrative office to the Liaison Office in Zagreb.

14. Cost estimates are based on a 10 per cent vacancy factor in respect of international staff and national officers and a 7.5 per cent vacancy factor in respect of local staff. Moreover, it is estimated that 65 per cent of staff in the Professional and Field Service categories would be employed as mission appointees.

15. The Advisory Committee was informed that the encumbency situation in UNMIBH as at 31 December 2000 was as follows:

Posts	*Authorized*	*Encumbered*	*Vacancy rate (%)*
Military observers	28	26	7.1
Military liaison officers	5	4	20
Civilian police	2 057	1 810	12.0
International staff	398	336	15.6
National officers	15	10	33.3
Local staff	1 438	1 392	3.2

16. The Advisory Committee notes that the mandate of the Judicial System Assessment Programme was concluded in December 2000 and that the Office of the High Representative is creating an Independent Judicial Commission to take over many of the functions previously performed by the UNMIBH Judicial System Assessment Programme (ibid., para. 11); for this purpose the Secretary-General proposes that 22 of the 42 posts of the former Judicial System Assessment Programme be utilized in connection with the creation of a Criminal Justice Advisory Unit within the office of the Commissioner of the International Police Task Force. On the basis of explanations provided by representatives of the Secretary-General, **the Advisory Committee has no objection to this proposal.**

17. With regard to the proposed conversion of 85 security guards currently employed on special service agreements to local staff, the Committee was informed that should the proposal be approved by the General Assembly, there would be no more local staff employed on special service agreement terms to perform tasks of a continuing nature. The Committee notes from the additional information provided to it that an increase of $1.9 million under the budget line "Local staff salaries" is substantially offset by a reduction of $1 million under the budget line "Security services". **The Advisory Committee recommends the approval of the proposed conversion**.

18. **In view of the fact that the requirements for civilian police are estimated at 100 per cent occupancy, the Committee points out that experience has shown that full incumbency may not materialize, even taking into account overlaps during rotation. Moreover, the estimates for international staff and national officers are based on the assumption of a 10 per cent vacancy, although, as can be seen from paragraph 15 above, the actual vacancy rates for international staff and national officers as at 31 December 2000 were 15.6 and 33.3 per cent respectively. The Committee also points out that since the Mission is beginning to wind down it is expected that long-term personnel recruitment and placement and investment in equipment and infrastructure would begin to slow down during the coming financial period**.

19. The report of the Secretary-General on the budget of UNMIBH sets out the actions to be taken by the General Assembly in connection with the financing of the Mission for the 12-month period from 1 July 2001 to 30 June 2002 (ibid., para. 3). **In view of the comments and observations made in the paragraphs above, the Committee is of the opinion that the requirements for the period from 1 July 2001 to 30 June 2002 should not exceed $140 million gross. The Committee also recommends that, upon the eventual completion of its mandate, arrangements be made to place many of the current international staff of UNMIBH in other existing missions of the United Nations should the requirements of these missions so permit. This would enable the United Nations to continue to benefit from the considerable experience and expertise that the staff have acquired during their service with UNMIBH. Where it is not possible to immediately place such staff, their names should be placed in the personnel roster of the Department of Peacekeeping Operations for future recall, should that be necessary**.

United Nations A/55/874/Add.6

General Assembly

Distr.: General
4 April 2001

Original: English

Fifty-fifth session
Agenda item 133
Financing of the United Nations Interim Administration Mission in Kosovo

Financial performance report for the period from 10 June 1999 to 30 June 2000 and budget for the period from 1 July 2001 to 30 June 2002 at the United Nations Interim Administration Mission in Kosovo

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 10 June 1999 to 30 June 2000 (A/55/724) and the proposed budget for the maintenance of the Mission for the 12-month period from 1 July 2001 to 30 June 2002 (A/55/833). During its consideration of the reports, the Committee met with representatives of the Secretary-General, as well as with the Director of Administration of the Mission, who provided additional information and clarifications.

2. UNMIK was established by the Security Council in its resolution 1244 (1999) of 10 June 1999 for an initial period of 12 months, to continue thereafter unless the Security Council decided otherwise.

Financial performance for the period from 10 June 1999 to 30 June 2000

3. By its resolution 54/245 A of 23 December 1999, the General Assembly appropriated an amount of $427,061,800 gross ($410,091,700 net) for the establishment and maintenance of the Mission for the period from 10 June 1999 to 30 June 2000, inclusive of the amount of $200 million authorized by the Assembly

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in its resolution 53/241 of 28 July 1999. That amount has been assessed on Member States.

4. As indicated in the financial performance report (A/55/724, para. 9 and table 1), expenditures for the period totalled $361,789,800 gross ($352,231,400 net), inclusive of $106,334,800 in unliquidated obligations. The resulting unencumbered balance of $65,272,000 gross ($57,860,300 net) represents, in gross terms, approximately 15.2 per cent of the amount appropriated. The unencumbered balance relates almost entirely to civilian personnel costs ($58,370,600), owing to higher than anticipated vacancy rates among civilian police and international and local staff.

5. The Advisory Committee notes that this is the first performance report for the Mission. The Committee recalls, as noted in its report on the proposed budget of UNMIK for the period from 1 July 2000 to 30 June 2001 (A/55/477), that the initial high vacancies in the civilian sector had been addressed by the Secretariat through a number of measures to enable the Mission to recruit and place personnel expeditiously, including delegation of recruitment authority and the dispatch of an expert in classification from Headquarters to assist the Mission (A/55/624, para. 16). As indicated in the table below, the vacancies in the civilian personnel sector have been reduced considerably. The following table shows incumbency as at 26 March 2001:

Category of personnel	*Authorized*	*Encumbered*	*Vacancy rate (percentage)*
Military liaison officers	38	38	-
Civilian police	4 718	4 366	7.5
International staff	1 339	1 221	8.8
Local staff	3 916	3 806	2.8
National officers	11	7	36.4
United Nations Volunteers	203	203	-

6. Upon enquiry, the Advisory Committee was informed that the delegation of authority to recruit and manage UNMIK personnel had proven to be of considerable benefit to the Mission and that the experience of the Mission was in the process of being evaluated. One of the early lessons learned was that delegation of authority must be accompanied by prior proper planning and the provision of adequate resources. The Committee was informed that the UNMIK database containing personnel applications was being shared with the United Nations Transitional Authority in East Timor (UNTAET). However, the database was not geographically broad-based, owing to the fact that many of the applicants came from one geographical area. **As the Mission mandate is extended, the Committee expects that the Secretariat will continue to diversify the database, as well as the recruitment and placement of staff.**

7. The Advisory Committee notes from the financial performance report (A/55/724, para. 8), that since the requirements associated with the deployment of formed police units were not specifically identified in the approved budget for the period from 10 June 1999 to 30 June 2000, the related expenditure has been met

through redeployment of approved resources. Beginning in March 2000, six special police units from four Member States were deployed as part of the civilian police component of the Mission. Upon enquiry, the Committee was informed that the associated costs amounted to approximately $11,640,300. Upon request, a breakdown of the costs was provided to the Committee (see annex I to the present report).

8. The Advisory Committee was informed that of the $106,334,800 listed in the performance report as unliquidated obligations (ibid., table 1, footnote[a]), only $43.8 million remained to be liquidated as at 31 December 2000. The bulk of the remaining amount ($42.2 million) related to non-governmental obligations, and most of that amount related to systems procurement activities at Headquarters. In this connection, the Board of Auditors has noted that approximately 44 per cent of the purchase orders for UNMIK for the financial period ending 30 June 2000 were issued during the two months ending on 15 July 2000 (see A/55/5, vol. II, chap. II, para. 94). The Committee notes, for example, that, as indicated in the performance report (ibid., annex II, paras. 26-34), a considerable number of electronic data-processing items were not procured. Upon enquiry, the Committee was informed that many of the items were rolled over to the current financial period.

9. **The Advisory Committee acknowledges the circumstances that often affect missions in their initial stages of operation. The Committee is nevertheless of the view that proper procurement planning, including taking full advantage of the opportunities offered by systems contracting, should minimize instances of last-minute procurement activity. This could reduce the large amount of resources often obligated during the last months of a financial period.**

10. The Advisory Committee was informed that reimbursement for formed police unit costs up to 31 August 2000 totalled $3,085,187, while the amount owed for the period from 1 September 2000 to 28 February 2001 was $5,873,601. With regard to contingent-owned equipment, the Committee was informed that, as at 31 December 2000, $193,403 was held in accounts payable, the estimated amount owed was $2,899,351 and unliquidated obligations totalled $2,405,712. In respect of death and disability compensation, there were 17 claims pending and unliquidated obligations amounted to $1,276,400.

11. The Advisory Committee was informed that the cash position of UNMIK as at 31 December 2000 was $45 million. The total amount assessed on Member States up to 30 June 2001 was $845.4 million, against which the payments received amounted to $511.9 million, leaving an outstanding balance of $333.5 million.

12. The actions to be taken by the General Assembly are set out in the performance report (ibid., para. 14). **The Advisory Committee recommends application of the special arrangements with regard to article IV of the Financial Regulations of the United Nations, as proposed by the Secretary-General in paragraph 13 of the report. The Committee further recommends that the unencumbered balance of $65,272,000 gross ($57,860,300 net) for the period from 10 June 1999 to 30 June 2000 be credited to Member States in a manner to be determined by the General Assembly.**

Cost estimates for the period from 1 July 2001 to 30 June 2002

13. As indicated in the report of the Secretary-General on the budget for the maintenance of UNMIK for the period from 1 July 2001 to 30 June 2002 (A/55/833, paras. 1 and 2), the proposed budget for the period amounts to $448,803,600 gross ($418,892,100 net). This amount represents a 0.2 per cent decrease ($1,196,400) in gross terms in relation to the apportionment for the current period ending 30 June 2001. The proposed budget reflects decreases of $25,565,300, or 28.5 per cent, in operational requirements and $24,000, or 1.5 per cent, under other programmes, offset in part by increases of $22,215,800, or 6.8 per cent, in civilian personnel costs and $212,100, or 2.7 per cent, in military personnel costs.

14. For a number of reasons, but mainly owing to the change of the Special Representative of the Secretary-General in January 2001 and the major priorities identified by the new Special Representative for the coming months, the Secretary-General envisages the submission of revised estimates to the budget (A/55/833, paras. 2, 29, 39 and 46). The Advisory Committee exchanged views with representatives of the Secretary-General on the nature of the revised estimates. The Committee was informed that the revision would take account of the timing and budgetary implications of the Kosovo-wide elections and of the results of the identification of specific tasks and resources for implementation of the priorities identified by the new Special Representative as detailed in the report of the Secretary-General to the Security Council dated 13 March 2001 (S/2001/218, para. 2) and in the proposed budget (A/55/833, para. 29). The Committee was also informed that it was not expected that the revised budget would entail a significant change in the total estimates required. **That being the case, the Committee cautions against any automatic submission of revised estimates merely to reflect changes implemented as the result of the arrival of a new Special Representative of the Secretary-General. Even taking into account the upcoming elections, the Committee is of the opinion that every effort should be made to keep within the total initial estimate. Variations in allocation and between objects of expenditure could be reflected in the performance report, as well as in the budget for 2000-2003; such an approach would be consistent with the discipline required by General Assembly resolution 49/223 of 23 December 1994. It should be understood that reclassification of posts can only be effected through submission of a proposal in a budget and the subsequent approval by the General Assembly.**

15. The Advisory Committee recalls that for the period from 1 July to 31 December 2000 the General Assembly, in its resolution 54/245 B of 15 June 2000, authorized the commitment and assessment of $220 million. The Assembly subsequently appropriated $450 million gross for the period from 1 July 2000 to 30 June 2001 in its resolution 55/227 of 23 December 2000. The most up-to-date expenditure data for the current period was not provided to the Committee in a timely manner; moreover, it was subsequently revised after the Committee had completed its examination with representatives of the Secretary-General. **The Committee requests that, in the future, during its consideration of peacekeeping budgets, it be provided with the most up-to-date and accurate statements of expenditure and obligations for the financial period under examination.**

16. The expenditure data that was eventually supplied is shown in annex II to the present report. According to this data, out of the $450 million appropriated by the General Assembly in its resolution 55/227 for the period from 1 July 2000 to 30 June 2001, an amount of only $187,578,700[1] had been expended as at 28 February 2001. This underexpenditure is a cause for concern since out of $89,553,000 apportioned for operational requirements only $13,868,500 had been spent. **The Committee requests that an analysis of the reasons for the delay in expenditure be made and that it be provided in the context of the next performance report. In the meantime, the Committee has taken the rate of expenditure in the current period into account in considering the estimates for the 2001-2002 period.**

17. The proposed budget is based on a strength of 38 military liaison officers, 4,718 civilian police, 1,319 international staff, 3,858 local staff, 11 national officers and 203 United Nations Volunteers. As indicated in the budget report (A/55/833, annex I.C), the proposed budget takes into account vacancy factors of 5 per cent for civilian police and for international staff and 2 per cent for local staff.

18. The changes in staffing requirements are outlined in section VIII of the report. The Advisory Committee notes that the current staffing table takes into account the recommendations of the Committee as contained in its report of 13 November 2000 (A/55/624, paras. 21, 23 and 28), and reflects a reduction of 63 posts (2 P-3, 2 P-2, 5 Field Service, 2 General Service (Other level) and 52 Local level posts) in the Division of Administration as compared to the staffing level proposed in the report of the Secretary-General dated 12 October 2000 (A/55/477). The changes proposed to the current staffing table include a reduction of 20 General Service posts in Civil Administration and 58 local level posts in the Security Section for the period from 1 July 2001 to 30 June 2002.

19. The Committee notes from the budget report (A/55/833, table 1) that civilian personnel costs have increased from $322,983,100 apportioned for the current period to $345,198,900 proposed for the period from 1 July 2001 to 30 June 2002. This is largely due to the fact that most of the post reductions for the current period were made in the local category, combined with the fact that the vacancy situation has improved considerably for the Mission. **Expenditure for civilian personnel costs was $129,827,000 as at 31 December 2000. The Committee requests that the trend in expenditure for this item be monitored and adjusted, if necessary.**

20. Operational requirements are estimated at $64,122,900, including $13,401,400 for non-recurrent items, as detailed in the budget report (ibid., annex II.C). The report also shows an estimated requirement for $1,868,100 under field defence equipment for civilian police. Brief reference is made to this requirement in the report (ibid., annex I.C, para. 34); however, there is no explanation as to why items have now been identified as necessary, nor is there, in most cases, an indication of current inventory. The Committee understands that most of these items are expendable and require periodic replenishment. **While the Committee has no objection to this request, it expects a better explanation of such estimates in the future.**

21. The Advisory Committee notes from the report, that 10 4x4 minibuses are to be obtained (ibid., para. 21) to replace the 4x2 minibuses currently used by UNMIK, which have proven unsuitable for winter driving conditions. Upon enquiry, the

Committee was informed that the 4x2 vehicles would be made available for use in other missions.

22. The Advisory Committee notes from the report that a reconfiguration is proposed for the Mission's communications infrastructure (ibid., paras. 25-33). Reference is made to increased efficiency and consequent reductions in costs. **The Committee expects that, in future, attempts should be made to quantify such cost benefits wherever possible.** In addition, the Committee notes the reply given in the report (ibid., annex IV) to the concerns it expressed in its report dated 13 November 2000 (A/55/624, para. 52) regarding acquisition of new technology and communications capacity. The Committee is pleased to learn that all communications equipment installed can be removed and redeployed to other missions and that there is adequate local knowledge to use and manage the system.

23. **The Advisory Committee expresses concern about the problems regarding the payment of taxes and duties for fuel and the use of United Nations fuel stations by non-UNMIK vehicles, as reported by the Board of Auditors in its report on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2000 (A/55/5, vol. II, chap. II, paras. 114-117).**

24. The Advisory Committee was informed that, for the period ended 30 June 2000, the total cost of training of staff amounted to $138,700, as against the authorized amount of $358,500. For the current period, $418,200 was authorized, and for the period from 1 July 2001 to 30 June 2002, estimated requirements total $412,600 (see annex III to the present report). **The Committee requests that, in future, for this and other missions, the estimate for training be accompanied by a table similar to that contained in annex III to the present report. While the Committee has routinely recommended acceptance of the resources requested under training, it expects that adequate explanation will be provided in the performance reports to justify changes in expenditure in relation to the initial proposals of the Secretary-General.**

25. The action to be taken by the General Assembly is indicated in the budget report (A/55/833, para. 3). **Taking into account its comments in the paragraphs above, in particular in paragraph 14, as well as the expenditure data referred to in paragraph 16, the Advisory Committee recommends that the Assembly appropriate and assess the amount of $400 million gross for the maintenance of the Mission for the 12-month period from 1 July 2001 to 30 June 2002. In this connection, in view of the experience gained by the Mission during the municipal elections, the Committee expects that every effort will be made to absorb any additional requirements for the Kosovo-wide elections (see para. 14 above).**

Notes

[1] Excludes unliquidated field obligations in the amount of $20,601,900, an undetermined portion of which will eventually be cancelled.

Annex I

United Nations Interim Administration Mission in Kosovo

Total cost of Special Police Units for the period from 10 June 1999 to 30 June 2000

(United States dollars)

		Expenditures 1999-2000	*Explanation*
I.	**Military personnel**		
	Contingent-owned equipment	924 400	6 Special Police Units: Pakistan, India (2), Jordan (2) and Spain per signed memorandum of understanding. Deployment started in March 2000.
	Self-sustainment	266 500	
	Total military personnel	**1 190 900**	
II.	**Civilian personnel costs**		
	Clothing and equipment allowance	100 200	Deployment of Special Police Units.
	Civilian police cost reimbursement	1 559 900	*Idem*.
	Rations (non-military)	594 800	$10.95 per person per day for 44,227 person days, plus bottled water ($12,100) and meals ready to eat ($98,400).
	Daily allowance (non-military)	51 800	$1.28 per day per person for Special Police Units.
	Total civilian personnel	**2 306 700**	
III.	**Operational requirements**		
	Accommodation equipment	6 154 500	Accommodation containers, ablution units, kitchen units.
	Refrigeration equipment	75 500	20 industrial-sized refrigerators and 20 chest refrigerators.
	Miscellaneous equipment	510 700	7 electrical transformers for camps of Special Police Units ($197,000), installation of prefabricated kitchens ($31,900), acquisition of refrigerated containers ($281,800).
	Transport of contingent-owned equipment	1 402 000	Deployment of contingent-owned equipment: Pakistan ($238,000), Jordan ($525,600) and India ($638,400).
	Total operational requirements	**8 142 700**	
	Total cost	**11 640 300**	

The total cost of $11,640,300 was met through redeployment of funds from approved allotments for monthly subsistence allowance for the Civilian Police. The reduction was attributable to both delays in the deployment of civilian police in UNMIK and the deployment by 30 June 2000 of 575 Special Police in formed units, whose members were not entitled to mission subsistence allowance.

Annex II

Expenditures for the period from 1 July 2000 to 30 June 2001 as at 28 February 2001

(Thousands of United States dollars)

Category of expenditures		*Apportioned*[a]	*Expenditures*[b]	*Unencumbered balance*
I.	Military	7 881.5	4 854.1	**3 027.4**
II.	Civilian	323 051.1	158 851.0	**164 200.1**
III.	Operational requirements			
	Premises/accommodation	10 137.1	1 457.6	8 679.5
	Infrastructure repairs	-	-	-
	Transport operations	13 728.8	2 275.6	11 453.2
	Air operations	6 130.4	1 921.9	4 208.5
	Communications	19 782.4	2 576.6	17 205.8
	Other equipment	20 345.8	1 406.9	18 938.9
	Supplies and services	17 628.5	3 274.9	14 353.6
	Air and service freight	1 800.0	955.0	845.0
	Subtotal, category III	**89 553.0**	**13 868.5**	**75 684.5**
IV.	Other programmes			
	Election-related supplies and services	-	-	-
	Public information programmes	599.7	55.5	544.2
	Training programmes	418.2	60.7	357.5
	Mine-clearing programmes	550.0	-	550.0
	Assistance for disarmament and demobilization	-	-	-
	Subtotal, category IV	**1 567.9**	**116.2**	**1 451.7**
V.	United Nations Logistics Base at Brindisi, Italy	-	-	-
VI.	Support account for peacekeeping operations	-	-	-
VII.	Staff assessment	27 946.5	9 888.9	18 057.6
	Total, categories I-VII	**450 000.0**	**187 578.7**	**262 421.3**
VIII.	Income from staff assessment	(27 946.5)	(9 888.9)	(18 057.6)
	Net total	**422 053.5**	**177 689.8**	**244 363.7**
IX.	Voluntary contributions in kind	-	-	-
	Total resources	**450 000.0**	**187 578.7**	**262 421.3**

[a] As compared to information provided in annex I of the cost estimates for the period from 1 July 2000 to 30 June 2001, an amount of $135,200 was redeployed from supplies and services to military personnel costs ($67,200) and civilian personnel costs ($68,000).

[b] Excludes field unliquidated obligations in the amount of $20,601,900.

Annex III

Training programme for the period from 1 July 2001 to 30 June 2002

Course description	*Cost in United States dollars*	*No. of participants*	*Venue*
Communications	84 700	4	United Nations Logistics Base at Brindisi, Italy
	4 000	20	Mission area
Transport	40 000	3	Japan
	29 000	3	South Africa
Transport of dangerous goods	13 800	4	Greece
Electronic data processing	80 000	20	Mission area
Aviation safety	11 200	1	United States of America
	11 200	1	United States of America
Contract management	16 000	2	Mission area
Procurement	20 700	6	Denmark
Management and staff development	52 000		Mission area
Stress management and alcohol awareness seminar	50 000		Mission area
Total	**412 600**	**64**	

United Nations A/55/874/Add.7

General Assembly

Distr.: General
4 April 2001

Original: English

Fifty-fifth session
Agenda item 135
Financing of the United Nations Mission for the Referendum in Western Sahara

Financial performance report for the period from 1 July 1999 to 30 June 2000 and budget for the period from 1 July 2001 to 30 June 2002 of the United Nations Mission for the Referendum in Western Sahara

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 1999 to 30 June 2000 (A/55/764) and on the proposed budget for the 12-month period from 1 July 2001 to 30 June 2002 (A/55/794). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information.

2. MINURSO was established by the Security Council in its resolution 690 (1991) of 29 April 1991 for an initial period of six months. Since then, its mandate has been extended by the Security Council in various resolutions, the latest being resolution 1342 (2001) of 27 February 2001, by which the Council further extended the mandate of the Mission until 30 April 2001.

Financial performance report for the period from 1 July 1999 to 30 June 2000

3. In its resolution 53/18 B of 8 June 1999, the General Assembly appropriated an amount of $52,124,911 gross ($48,173,311 net) for the maintenance of MINURSO for the period from 1 July 1999 to 30 June 2000, inclusive of the amount of $2,593,381 for the support account and the amount of $508,530 for the United Nations Logistics Base at Brindisi, Italy (UNLB). The full projected cost of the

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Mission for this period was $57,841,400, including projected voluntary contributions of $5,716,500 (A/55/764, table 1). Expenditures for the period totalled $49,211,500 gross ($45,860,500 net), resulting in an unutilized balance of $2,913,400 gross ($2,312,800 net) or 6 per cent of the total appropriation. Full reported expenditure amounted to $55,710,000, including $6,498,500 in voluntary contributions (ibid.).

4. The unutilized balance resulted mainly from reduced requirements under military personnel ($586,500), civilian personnel ($1,772,700) and staff assessment ($600,600); offset by overexpenditure under operational requirements ($464,400).

5. With regard to reductions under civilian personnel, the Advisory Committee notes from the performance report (A/55/764, annex II, para. 6) that this was mainly due to reduced international staff costs ($1,647,000), caused by a higher proportion of mission appointees among international staff (87 per cent) than was budgeted (65 per cent), combined with lower grade levels of international staff. The Committee also notes that the Mission's experience with regard to mission appointees has been taken into account in the preparation of the budget for 2000-2001 and proposed budget for 2001-2002.

6. In connection with operational requirements, the Advisory Committee notes from the performance report that there was an underexpenditure of $1,255,500 owing to the lower cost of air operations (ibid., annex II, para. 13).

7. Regarding training programmes, the Advisory Committee notes that while this item is mentioned in paragraph 7 of annex II of the performance report, it is not indicated in annexes I and IV of the same report. Upon enquiry, the Committee was informed that this was due to the inconsistency in budget presentation for training programmes for the financial periods ending 30 June 2000. The Committee was also informed that, in future, performance reports for the periods from 1 July 2000 onwards would be more transparent as training programmes have been identified more clearly.

8. The action to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 1999 to 30 June 2000 is set out in the performance report (A/55/764, para. 13). **The Advisory Committee recommends that the unutilized balance of $2,913,400 gross ($2,312,800 net) for the period from 1 July 1999 to 30 June 2000 be credited to Member States in a manner to be decided by the General Assembly.**

Information on performance for the current period

9. The Advisory Committee was informed that, as at 31 January 2001, the amount of $6.1 million was reimbursed for troop costs for the period 1 September 1991 to 31 August 2000 and the amount owed for the period 1 September 2000 to 31 January 2001 was $115,337 (A/55/794, para. 12).

10. With regard to reimbursement for contingent-owned equipment, the Advisory Committee was informed that the amount was $852,842; the estimated amount owed as at 31 January 2001 was $4.3 million and unliquidated obligations for contingent-owned equipment amounted to $2.4 million. As regards death and disability, as at 31 January 2001, 11 claims have been settled amounting to $315,384, the balance of obligations amounts to $546,636 and one claim was remaining.

11. The Advisory Committee was informed that, as at 28 February 2001, the cash position of the Mission amounted to $0.8 million. Assessment on Member States for the period from 29 April 1991 to 28 February 2001 amounted to $438.9 million, payments received totalled $344.7 million and the amount outstanding was $94.2 million. Total unliquidated obligations for the period from 1 July 1999 to 30 June 2000, as at 31 January 2001, were $1,110,000 ($317,200 for Governments and $892,800 for others) and current loans were $39.6 million (United Nations Assistance Mission for Rwanda (UNAMIR) $8.8 million and United Nations Mission in Haiti (UNMIH) $30.8 million). Upon enquiry as to whether, in view of the loan from UNMIH to MINURSO, troop contributors to UNMIH had been paid, the Committee was informed that all payments to troop contributors have been made for UNMIH except from one troop-contributing country.

Cost estimates for the period from 1 July 2001 to 30 June 2002

12. As indicated in the report of the Secretary-General on the budget of the Mission (A/55/794, para. 1), an amount of $48,849,600 gross ($45,280,800 net) has been requested for the maintenance of MINURSO for the 12-month period from 1 July 2001 to 30 June 2002. This request represents a 5 per cent increase ($2,238,000) in gross terms in relation to the apportionment for the current period ending 30 June 2001. Voluntary contributions for the period are estimated at $5,656,500. The proposed budget reflects increases of $2,830,100 or 27 per cent, in operational costs and $47,000, or 260 per cent, in other programmes related to increased requirements for the training of staff, offset by decreases of $202,200, or 3 per cent, in military personnel costs, $166,900, or 1 per cent, in civilian personnel costs and $270,000, or 7 per cent, in staff assessment (ibid., table 1).

13. The proposed staffing of the Mission for the 2001-2002 budget period, as for the 2000-2001 budget period, comprises 81 civilian police, 300 international and 113 local staff. The Advisory Committee notes from the proposed budget report that, as in the 2000-2001 period, the estimated international and local staff costs for the period from 1 July 2001 to 30 June 2002 reflect the application of vacancy factors of 30 per cent for Professional staff, 10 per cent for General Service and Field Service staff and 5 per cent for local staff (ibid., annex I.C, para. 10).

14. As indicated in the report of the Secretary-General to the Security Council of 20 February 2001 (S/2001/148, para. 8 and annex I), a total of 131,038 appeals had been received by the Mission following the issuance of the first part of the provisional voter list in July 1999. Because of political differences among the parties, the Mission could not complete the appeals process. In this connection, the Advisory Committee recalls the discussion in the same report (ibid., para. 23), in which the Secretary-General recommended that the Council extend the mandate of MINURSO for a period of two months, until 30 April 2001, in order to see whether the Government of Morocco was prepared to offer or support some devolution of authority for all inhabitants. Failing such offer or support, MINURSO will be directed to begin hearing the pending appeals from the identification process on an expedited basis, without regard as to how long it might take to complete them.

15. Upon enquiry, the Advisory Committee was informed that the full cost of processing the appeals was not included in the estimates and that should it be necessary, the Secretary-General may have to request supplementary estimates

should the appeals process be resumed in full and the initial proposals for 2001-2002 prove insufficient. **In view of the consistent instances of underexpenditure for the Mission, the Advisory Committee expects that, before requesting supplementary estimates, all efforts should be made to absorb, if possible, the additional cost for the appeals process.**

16. The Advisory Committee notes from the proposed budget (A/55/794, annex I.C, paras. 12, 15 and 16) that the bulk of the increase of $2.8 million under operational expenditure is mainly for premises/accommodation, air operations, the replacement of 76 vehicles and the purchase of three United Nations-owned ambulances previously provided under contingent-owned equipment arrangements. The Advisory Committee also notes that the replacement of vehicles and other items such as office furniture is mainly due to obsolescence. The proposed budget provides details of purchase of other items (ibid., annex II.C). The Advisory Committee did not receive information on the Mission's inventory. Upon enquiry, the Committee was informed that the Mission had experienced difficulties with the field assets control system (FACS) and that, in order to resolve these difficulties, a staff member from Headquarters had assisted in training mission staff.

17. The Advisory Committee also notes from the proposed budget that the Mission's aircraft fleet of three medium utility MI-8 helicopters and three medium passenger/cargo AN-26 fixed-wing aircraft will remain unchanged (ibid., annex I.C, para. 17). The Committee further notes from the proposed budget that the monthly hours for the three helicopters will remain unchanged and that, in the case of the fixed-wing aircraft, the proposed budget is based on 80 block/extra hours each compared to 85 block/extra hours each for the current period (ibid., annex II). Upon enquiry as to the reasons for the increase in costs for air operations ($1,457,100), the Advisory Committee was informed that this was due to the signing of a new contract and an increase in the cost of aviation fuel ($0.38 per litre compared with $0.34 per litre for helicopters for the current period and 0.38 per litre compared with $0.30 per litre for fixed-wing aircraft for the current period).

18. In connection with training, the Advisory Committee notes from the proposed budget (ibid., annex II.A) that provision has been made ($65,000) to train 11 staff members. **The Advisory Committee recommends that, in future, the number of staff trained or budgeted for training and the area of training for the previous period be given.**

19. The actions to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2001 to 30 June 2002 are set out in the proposed budget (A/55/794, para. 3). **Subject to its observations above, the Advisory Committee recommends that the amount of $48,849,600 gross ($45,280,800 net) be approved for the maintenance of MINURSO for the 12-month period from 1 July 2001 to 30 June 2002 and that the amount be assessed at a monthly rate of $4,070,800 gross ($3,773,400 net) should the Security Council decide to extend the mandate of MINURSO beyond 30 April 2001.**

United Nations A/55/874/Add.8

General Assembly

Distr.: General
3 April 2001

Original: English

Fifty-fifth session
Agenda item 153 (a)
Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: financing of the United Nations peacekeeping operations

Financing of the United Nations Logistics Base at Brindisi

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General (A/55/714 and A/55/830) containing the financial performance report for the United Nations Logistics Base at Brindisi, Italy (UNLB) for the period from 1 July 1999 to 30 June 2000 and the proposed budget for UNLB for the 12-month period from 1 July 2001 to 30 June 2002. During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee recalls that UNLB has been operational since late 1994, carrying out tasks related to the maintenance of two-mission start-up kits in state of readiness for deployment at short notice, offering services directly related to assets management, including refurbishment, maintenance and storage of serviceable assets from liquidating field missions, and providing communications support through the global satellite network to the United Nations, as well as to peacekeeping operations and missions worldwide and to several of the specialized agencies.

Financial performance report for the period from 1 July 1999 to 30 June 2000

3. The Advisory Committee recalls that the General Assembly, in its resolution 53/236 of 8 June 1999, approved cost estimates of $7,456,500 for the financing of UNLB for the period from 1 July 1999 to 30 June 2000. The unencumbered balance of $1,373,600 for the period from 1 July 1997 to 30 June 1998 was applied to the required resources and the remaining balance of $6,082,900 was prorated among the

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approved appropriations of the individual active peacekeeping operation budgets to meet the financing requirements of UNLB. Those amounts, as reflected in the respective performance reports for each individual mission, are shown in the performance report on UNLB (A/55/714, table 1).

4. As noted in the performance report (ibid., para. 17), the expenditures for the period from 1 July 1999 to 30 June 2000 amounted to $7,026,000, including unliquidated obligations of $1,871,000. The resulting unencumbered balance of $430,500 is mostly due to civilian vacancies among international staff as well as reduced operational requirements. The Advisory Committee was informed that unliquidated obligations had been further reduced to $642,139 as of 31 December 2000.

5. Savings of $227,100 are reported under civilian personnel costs, out of an apportionment of $4,220,100. An average vacancy rate of 18 per cent among international staff for the reporting period is indicated in the report (ibid., para. 4), resulting from delays in recruitment and assignment of staff either on temporary duty or reassignment to other missions. The Advisory Committee recalls that the authorized staffing component for the period included 20 international staff posts (10 Professional and 10 Field Service) and 83 locally recruited staff.

6. Savings of $206,100 are also reported under operational requirements out of an apportionment of $3,196,400. Lower requirements, amounting to $340,100, resulted in great part from savings under premises and accommodations ($65,800); transport operations ($117,700 — in view of changes in requirements and lower actual costs) and other equipment ($130,800 — as a result of changes in requirements for electronic data-processing equipment and miscellaneous equipment). These were partially offset by additional requirements under supplies and services ($134,000) mostly resulting from higher than budgeted exchange rates.

7. The performance report provides an overview of the implementation of the budget during the reporting period (ibid., paras. 4-16). The Advisory Committee welcomes the indication that significant progress was made in inventory verification and the update of information contained in the field assets control system (FACS) (ibid., para. 7), listing the inventory of assets at UNLB, as at 30 June 2000, at $44,849,000.

8. The Committee notes that UNLB provided storage facilities for assets from three missions that were being liquidated, the United Nations Mission in the Central African Republic (MINURCA), the United Nations Observer Mission in Angola (MONUA) and the United Nations Mission of Observers in Tajikistan (UNMOT); the assets of the missions were valued at $8,407,339 (ibid., para. 9). The contents of the start-up kits were used in support of the new missions: the United Nations Interim Administration Mission in Kosovo (UNMIK), the United Nations Mission in East Timor (UNAMET), and the United Nations Mission in Sierra Leone (UNAMSIL) (ibid., para. 8).

9. In connection with the start-up kits, the Advisory Committee recalls that, in its report on the financing of UNLB of 10 April 2000 (A/54/841/Add.8, paras. 19 and 20), it had indicated that the role and function of UNLB would be subject to a review, along with the concept, make-up and financing of the mission start-up kits, and that the results and changes proposed would be reflected in the context of the budget proposal for 2001-2002. The Committee notes, however, as indicated in the

report on the budget for UNLB for the period from 1 July 2001 to 30 June 2002 (A/55/830, annex III, para. 4), that the review and its results are expected to be available at the time the results of the Headquarters capacity study and comprehensive review are available, that is, in the fall of 2001. The Committee further recalls that, in its report of 10 April 2000, it recommended that the potential for use of UNLB as a regional procurement centre be explored with the missions in the area (A/54/841/Add.8, para. 10). The Committee trusts that this matter will also be considered in the context of the review of the operational concept of UNLB.

10. The performance report indicates that equipment valued at $98,768,688 was transferred out from UNLB (A/55/714, paras. 5 and 6). Of this total, equipment valued at $49,399,722 was transferred from the Field Administration and Logistics reserve, and equipment valued at $49,368,966 was trans-shipped via UNLB. Incoming shipments with a value of $36,007,690 were also processed, including equipment from peacekeeping missions, other agencies and the Field Administration and Logistics Division reserve valued at $17,143,393 as well as equipment from local and international vendors valued at $18,863,757. Information provided to the Advisory Committee, in this regard, and in connection with the communications support provided by UNLB, is shown in annex II to the present report.

11. **The Advisory Committee recommends acceptance of the proposal of the Secretary-General set out in the performance report (ibid., para. 19), to apply the unencumbered balance of $430,500, as well as the interest income of $289,000 and miscellaneous income of $340,000 ($1,059,500 in total), to the resources required for the period from 1 July 2001 to 30 June 2002.**

Cost estimates for the 12-month period from 1 July 2001 to 30 June 2002

12. The Advisory Committee recalls that the General Assembly, in its resolution 54/278 of 15 June 2000, approved the Secretary-General's cost estimates of $9,317,400 gross for the Logistics Base for the period from 1 July 2000 to 30 June 2001. The General Assembly also decided to apply the total unencumbered balance of $1,731,800 for the period from 1 July 1998 to 30 June 1999 to the resources required for the 2000-2001 budget period, and to prorate the balance of $7,585,600 among the individual active peacekeeping operation budgets.

13. An amount of $8,982,600 gross ($8,174,400 net) is proposed for the maintenance of UNLB for the period from 1 July 2001 to 30 June 2002 (A/55/830, para. 1). The amount proposed constitutes a reduction of $334,800 in total gross resources (or 3.6 per cent) in relation to the apportionment for the period from 1 July 2000 to 30 June 2001, indicated in paragraph 12 above.

14. The cost estimates contained in the budget report (A/55/830, para. 3) constitute a maintenance budget. The Secretary-General proposes to submit a revised budget for UNLB for the period from 1 July 2001 to 30 June 2002 after submission of the review of the Base's concept of operation and related requirements (including the review of the composition and number of mission start-up kits), which will be reported upon in the early part of the fall of 2001, along with the Headquarters capacity study and comprehensive review (see para. 9 above). **The Advisory Committee is of the opinion that unless the revisions entail significant changes in financial requirements, the results of the reviews should be reported upon in**

the context of the next performance report and budget for UNLB in the winter of 2002.

15. The Advisory Committee recalls that, in its report of 10 April 2000, it had requested the presentation of the requirements for UNLB "in a more programmatic manner" (A/54/841/Add.8, para. 20). In this regard, the Committee was informed that these changes would be addressed in the context of the proposed budget for UNLB for the period from 1 July 2002 to 30 June 2003.

16. No changes are proposed to the staffing table, which currently consists of 106 staff, including 23 international posts (10 Professional and 13 Field Service posts), and 83 locally recruited staff. Upon enquiry, the Advisory Committee was informed that, as at 31 December 2000, 16 out of the 23 authorized international posts and 82 out of the 83 authorized local posts were encumbered. The Committee recalls that three additional Field Service posts were provided in the current 2000-2001 budget period to perform technical support tasks in the areas of communications and electronic data processing, but that, as indicated in the budget report, "the support to newly established missions continues to challenge the Base's human resources and this issue will be among those addressed in the forthcoming review of the Base's concept of operations" (A/55/830, para. 7).

17. The Advisory Committee notes, nevertheless, that expenditures under civilian personnel costs decreased by 4.2 per cent, from $4,471,700 in the current budget (2000-2001) to $4,285,000 in the proposed budget (2001-2002) due to technical adjustments (ibid., table 1). The resources proposed take into account the salary scale applicable since 1 March 1999 for local staff and a vacancy rate of 5 per cent for international staff.

18. As indicated in the budget report, the estimate provides operational costs, which total $3,838,400, reflecting a decrease of 3.2 per cent or $128,200 as compared with the current budget (ibid., annex I.A and I.C). The proposed estimates for operational requirements include an amount of $1,532,900 under non-recurrent estimates, mostly related to the alteration and renovation of premises ($635,000) to increase storage space and make structural repairs and other improvements to the training facility; under transport operations for the replacement of vehicles ($384,100) and purchase of workshop equipment ($11,200); under communications ($331,200) for requirements for spare parts and supplies; and under other equipment for the replacement of equipment required for the buildings management unit ($103,500); and replacement of a limited number of electronic data-processing units ($67,200).

19. The training activities at UNLB, which have expanded during the last two years, show an increase in the related provision from $43,000 in the current budget (2000-2001) to $51,000 in the proposed maintenance budget (2001-2002). The Committee, in its previous report, had welcomed the use of UNLB as a training centre, while requesting that criteria be clearly set for determining training priorities. The Committee sought additional information regarding communications and information technology training provided at UNLB, including outsourced training in this regard. The information submitted is shown in annex III to the present report.

20. The report of the Secretary-General outlines the action to be taken by the General Assembly at its fifty-fifth session (A/55/830, para. 4). In view of the statement made in paragraph 3 of A/55/830, **the Advisory Committee recommends that the proposal of the Secretary-General for the United Nations Logistics Base be accepted by the General Assembly**.

Annex I

1. Shipments/trans-shipments dispatched to United Nations missions and agencies from the United Nations Logistics Base at Brindisi

(United States dollars)

	1 July 1999-30 June 2000							
	Field Administration and Logistics Division reserve shipments				*Trans-shipments*			
Destination	*Expenditure*	*Assets*	*Total inventory value*	*Total weight (kgs)*	*Expenditure*	*Assets*	*Total inventory value*	*Total weight (kgs)*
UNICEF	4 000.00	0.00	4 000.00	278.00	0.00	96 784.02	96 784.02	23 803.00
UNDP	0.00	7 768.00	7 768.00	30.00	0.00	29 402.64	29 402.64	1 190.00
WFP Albania					0.00	85 000.61	85 000.61	1 875.80
WFP Kosovo	280.00	0.00	280.00	112.00	15 000.00	0.00	15 000.00	1 250.00
WFP Kenya	0.00	9 136.00	9 136.00	8.00				
WFP Rome	6 970.00	0.00	6 970.00	8.00				
OSCE					665 430.76	137 369.11	802 799.87	82 266.50
UNOHCI	30 662.11	120 023.81	150 685.92	20 061.00				
UNSCO	0.00	4 230.00	4 230.00	22.00	84.00	0.00	84.00	3.63
Total	**41 912.11**	**136 927.81**	**178 839.92**	**20 497.00**	**680 430.76**	**348 556.38**	**1 028 987.14**	**110 385.30**
Other assessed operations								
BONUCA	11 831.17	47 671.72	59 502.89	234.00				
ECLAC	380.00	6 510.00	6 890.00	18.00				
UNPOB	5 575.85	3 629.00	9 204.85	117.00				
UNOB	2 790.70	864.60	3 655.30	50.00	21.00	22 764.00	22 785.00	612.86
UNOGBIS	4 317.12	55 877.66	60 194.78	189.00				
UNOL	21 066.10	46 641.41	67 707.51	5 977.00				
GLR Kenya					0.00	27 920.00	27 920.00	6 990.00
Tribunal, Yugoslavia	7 336.36	440 755.49	448 091.85	59 320.50	12 795.44	0.00	12 795.44	500.00
OCHA/UNOG	240.00	0.00	240.00	14.00				
United Nations Office at Nairobi	0.00	25 508.00	25 508.00	14.00				
UNSMA	1 674.10	32 107.00	33 781.10	986.00				
Total	**55 211.40**	**659 564.88**	**714 776.28**	**66 919.50**	**12 816.44**	**50 684.00**	**63 500.44**	**8 102.86**

Destination	1 July 1999-30 June 2000							
	Field Administration and Logistics Division reserve shipments				Trans-shipments			
	Expenditure	Assets	Total inventory value	Total weight (kgs)	Expenditure	Assets	Total inventory value	Total weight (kgs)
Missions								
MINUGUA	13 293.82	170 416.90	183 710.72	2 949.00				
MINURCA	108 556.73	267 073.24	375 629.97	7 239.00				
MINURSO	52 504.87	246 701.83	299 206.70	35 896.00				
MIPONUH	50 446.83	90 542.66	140 989.49	1 139.50	637.12	0.00	637.12	8.00
MONUA	900.00	0.00	900.00	2.00				
MONUC	430 061.37	3 041 224.11	3 471 285.48	161 333.00	339 702.81	1 428 795.09	1 768 497.90	177 331.50
UNAMET/UNTAET	877 514.38	5 723 942.85	6 601 457.23	789 032.00	206 106.39	3 534 575.49	3 740 681.88	248 305.50
UNOMSIL/UNAMSIL	3 223 904.79	11 069 703.61	14 293 608.40	1 589 733.50	579 537.26	996 803.56	1 576 340.82	162 425.00
UNDOF	31 894.55	648 125.04	680 019.59	66 364.00				
UNFICYP	189 603.07	857 831.68	1 047 434.75	86 579.00				
UNIFIL	470 029.52	1 594 732.54	2 064 762.06	74 796.00				
UNIKOM	47 837.08	104 762.68	152 599.76	23 841.40				
UNMIBH	138 174.17	720 013.33	858 187.50	128 775.90	3 571.46	169 035.00	172 606.46	3 345.00
UNMIK	2 599 166.84	14 761 492.09	17 360 658.93	2 174 311.00	7 079 247.04	33 938 383.23	41 017 630.27	4 659 353.42
UNMOGIP	68 133.16	157 717.53	225 850.69	17 112.50				
UNMOT	53 561.72	119 038.20	172 599.92	5 469.00				
UNOMIG	81 212.56	285 417.69	366 630.25	19 738.00				
UNPREDEP	7 494.05	0.00	7 494.05	5.00				
UNTSO	24 648.85	42 113.27	66 762.12	331.00				
Total	**8 468 938.36**	**39 900 849.25**	**48 369 787.61**	**5 184 646.80**	**8 208 802.08**	**40 067 592.37**	**48 276 394.45**	**5 250 768.42**
UNHQ	6 515.00	125 573.50	132 088.50	617.00				
Grand total	**8 572 576.87**	**40 822 915.44**	**49 395 492.31**	**5 272 680.30**	**8 902 049.28**	**40 466 832.75**	**49 368 882.03**	**5 369 256.58**

2. Grand total of shipments dispatched from 1 July 1999 to 30 June 2000

(value and weight)

	Value	*Weight (kilogram)*
Field Administration and Logistics Division reserve	49 395 492.31	5 272 680.30
Trans-shipments	49 368 882.03	5 369 256.58
Total	**98 764 374.34**	**10 641 936.88**

3. Incoming shipments from peacekeeping operations and other entities to the United Nations Logistics Base at Brindisi

	Incoming shipments 1 July 1999-30 June 2000	
Origin	*Total value (United States dollars)*	*Total kilogram*
Missions		
MINURCA	81 609.55	2 294.50
MINURSO	1 968.00	2
MIPONUH	1 261 312.28	185 170.00
MONUA	5 490 674.47	411 677.00
UNAMIR	1 716 831.58	35 000.00
UNAMSIL	110 384.00	7 000.00
UNIFIL	338 437.69	15 451.50
UNMIBH	1 429 282.34	40 114.00
UNMIK	3 405 016.80	61 630.12
UNMOT	2 835 054.49	166 580.05
UNOMIG	18 586.20	75
UNTAET	5 591.67	13
UNTSO	33 976.40	10 000.00
	16 728 725.47	**935 007.17**
Other entities		
UNOGBIS	100 240.40	3 327.00
UNSCOM	26 413.79	3 070.00
	126 654.19	**6 397.00**

Origin	*Incoming shipments 1 July 1999-30 June 2000*	
	Total value (United States dollars)	*Total kilogram*
Vendor/UNLB (*items delivered to UNLB by local and international vendors*)	18 863 756.83	2 326 348.66
United Nations Headquarters	288 553.17	266
Grand total[a]	**36 007 689.66**	**3 268 018.83**

[a] In addition to the above, assets weighing 5,377,940 kilograms and destined for various missions were trans-shipped via UNLB during the period from 1 July 1999-30 June 2000.

Annex II

Communications support provided by the United Nations Logistics Base at Brindisi for the period from 1 July 1999 to 30 June 2000

	Description of service provided				
Recipient	*Internet*	*Email*	*Telephone*	*Database replication*	*FACS*
BONUCA, Central African Republic	X	X	X	X	X
International Tribunal, Rwanda	X		X		
International Tribunal, Yugoslavia		X	X	X	
MICAH (MIPONUH), Haiti	X	X	X	X	X
MINUGUA, Guatemala		X	X	X	X
MINURSO, Western Sahara	X	X	X	X	X
MONUC, Congo	X	X	X	X	X
UNAMSIL, Sierra Leone	X	X	X	X	X
UNDOF, Syria	X	X	X	X	X
UNFICYP, Cyprus		X	X	X	X
United Nations Headquarters	X	X	X	X	X
UNIFIL, Lebanon	X	X	X	X	X
UNIKOM, Iraq/Kuwait	X	X	X	X	X
UNLO, Belgrade			X		
UNMIBH, Bosnia and Herzegovina	X	X	X	X	X
UNMIK, Kosovo	X	X	X	X	X
UNMOGIP, India	X	X	X	X	X
UNOA, Angola	X	X	X	X	X
UNOGBIS, Guinea-Bissau		X	X	X	
UNOHCI, Iraq	X	X	X	X	X
UNOMIG, Georgia	X	X	X	X	X
UNPOS, Kenya			X		
UNSCO, Gaza Strip		X		X	
UNSMA, Afghanistan		X		X	
UNTAET, East Timor	X	X	X	X	X
UNTOP, Tajikistan	X	X	X	X	X
UNTSO, Jerusalem	X	X	X	X	X
Communications support via leased lines					
WFP			X		
FAO			X		
United Nations Office at Geneva			X		

Annex III

1. Type of communications and information technology training provided at the United Nations Logistics Base at Brindisi and what proportion of training is outsourced

1. A major goal of the information and communications technology human resource development strategy of the Field Administration and Logistics Division is to create a self-sustaining operational capability for each field mission.

2. Elements of the strategy include direct education, supplied at the UNLB training laboratory, a set of distributed services (through globally accessible reference libraries, CDs and videos) and e-learning, which will enable each field mission to conduct their own self-directed, self-evaluated educational and training vector aligned with specific organizational objectives and within defined standards.

3. The UNLB training courses cover the information and communications technologies and systems in use at field missions and comprise the following broad categories:

(a) Technical training, based on specific technologies such as transmission control protocol/Internet protocol (TCP/IP) and Demand Access Multiple Assigned (DAMA) and on administering and managing specific systems like Notes messaging and the field assets control system (FACS) at basic, intermediate and advanced levels;

(b) User training aimed at enhancing user skills for effective use of mission critical systems (FACS, the field expendable and supplies system (FESS), Reality, SunSystem, Progen);

(c) Management training aimed at promulgating policy and procedures related to management efficiency in such areas including technology planning and management, property management.

4. In the information technology, applications software and information technology planning and management set of courses, in-house personnel conduct six out of nine courses. In the communications technologies, systems and communications planning and management set of courses, the majority are outsourced to the pertinent specialist vendors and only 3 out of 18 courses are conducted by in-house personnel.

5. All courses are aimed at "training the trainer". Trainers are selected by the field mission in close coordination with the Field Administration and Logistics Division which specifies the individual technical profile, prerequisite skills and training for such selection. Each trainer is required to return to the mission and transfer the acquired skills and knowledge to other pertinent staff members. All Directors of Administration/Chief Administrative Officers of field missions have been instructed to instigate and maintain a "back-up" policy so that specialist staff members have designated deputies assigned to them who are fully trained on the requisite skill-set.

6. Attached is a list of information and communications technology courses being conducted at UNLB during 2001.

2. Communications courses to be conducted at the United Nations Logistics Base at Brindisi during 2001

Course description	*Dates*	*In house*	*Outsourced*
VSAT training (Basic, intermediate and advanced)	8 Jan. to 12 Jan.		■
Video conferencing	15 Jan. to 16 Jan.	■	
INMARSAT	17 Jan.		■
DAMA/PAMA	18 Jan. to 19 Jan.	■	
Cisco Systems	5 Feb. to 16 Feb.		■
ISDN	19 Feb. to 23 Feb.		■
MD-110 (Basic and Intermediate)	26 Feb. to 2 March		■
Communications planning meeting	19 March to 23 March	■	
Management workshop	26 March to 30 March		■
Cisco voice-over frame relay, ATM and IP	28 May to 1 June		■
Cisco internetwork design	4 June to 8 June		■
Digital microwave	18 June to 22 June		■
Trunking	25 June to 29 June		■
Barret HF	3 Sept. to 7 Sept.		■
Rural telephone	10 Sept. to 14 Sept.		■
INMARSAT	10 Sept. to 14 Sept.		■
Interconnecting Cisco Network devices	1 Oct. to 5 Oct.		■
Multi-Service Access Concentrator MC3810 (MCCM)	8 Oct. to 12 Oct.		■
MD-110 Advanced	12 Nov. to 23 Nov.		■
GSM (Basic and Intermediate)	26 Nov. to 30 Nov.		■

VSAT — Very Small Aperture Terminal
DAMA/PAMA — Demand Access Multiple Assigned/Permanent Access Multiple Assigned
ISDN — Integrated Services Digital Network
GSM — Global System for Mobile Communications

3. Information technology courses to be conducted at the United Nations Logistics Base at Brindisi during 2001

Course description	*Dates*	*In house*	*Outsourced*
Reality training for systems administrators	29 Jan. to 2 Feb.	■	
Reality training for systems administrators and users	5 Feb. to 9 Feb.	■	
Microsoft Windows 2000 Network Operating Systems Essentials	7 March to 9 March		■
Interconnecting Cisco Network Devices	12 March to 16 March		■
Management workshop	26 March to 30 March	■	■
Information technology planning meeting	2 April to 6 April	■	
Lotus Notes	17 April to 27 April		■
Mission-critical applications support	2 May to 25 May	■	
Building Cisco Multilayer Switching Networks	2 July to 6 July		■
Remote management	9 July to 13 July		■
Implementing Microsoft Windows 2000 Professional and Server	16 July to 20 July		■
Building Scalable Cisco Networks	23 July to 27 July		■
Lotus Notes System Administration R.5 (Advanced)	17 Sept. to 21 Sept.		■
Domino Workflow applications development	2 May to 4 May		■
Implementing a Microsoft 2000 network infrastructure	15 Oct. to 19 Oct.		■
Implementing and administering Microsoft Windows 2000 directory services	22 Oct. to 26 Oct.		■